



AOT in Action

TOURISM WORKS FOR ARIZONA!

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from the Director:

Good morning.

AOT's business to business Web site, www.azot.gov, is now updated with all of the 2006 visitation and economic impact information. We had another record-breaking year with more than 33 million domestic and international travelers visiting the Grand Canyon State. These travelers generated a record \$18.6 billion in direct travel spending, which is up nearly six percent over last year. In addition, the Arizona tourism industry directly generated 173,000 jobs in 2006 and \$4.9 billion dollars in earnings. Because of the tremendous impact of the Arizona tourism industry, the quality of life for all Arizonans continues to be positively affected by the \$2.6 billion in state, local and federal taxes that tourism generated in 2006.

For more detailed information about the existing state of Arizona's tourism industry, please visit our Web site at, www.azot.gov, and click through the Research and Statistics section.

Have a great week.

A handwritten signature in black ink that reads "Margie A. Emmermann". The signature is written in a cursive, flowing style.

Margie A. Emmermann
Director
Arizona Office of Tourism

AOT News Flash

Rural Tourism Development Grant Program Guidelines for Fiscal Year 2008

The Rural Tourism Development Grant Program (RTDGP) guidelines for FY08 are now available. The primary objective of this competitive grant program is to provide coordinated funding for tourism related infrastructure projects in rural communities throughout the State. The funding amount for FY08 is \$550,000. These funds assist rural economic development through tourism to strengthen the regional and local economies and expand tourism in rural and Tribal communities throughout Arizona. The primary function of the infrastructure project must be tourism development and the project must be designed to initiate economic growth and enhance future tourism development. Applications are available on AOT's business-to-business Web site www.azot.gov under the Grants section. Applications must be received by the Arizona Office of Tourism no later than 5 p.m. Thursday, August, 30, 2007. If you have any questions, please feel free to contact Karen McClurg, Tourism Education and Development Manager at kmcclurg@azot.gov or by phone at 602-364-3708.

Industry News

Travel Industry "Blueprint" Gains Traction on Capitol Hill

Six months after rolling out an ambitious plan to bolster inbound tourism to the U.S., the travel industry said it is moving towards achieving most of its goals. "During the past six months, we've been able to accomplish more than in the past six years," said Geoff Freeman, executive director of the Discover America Partnership, the travel industry group spearheading the plan. Freeman and other executives from the partnership, including Stevan Porter, president of InterContinental Hotels Group, the Partnership's chairman; Jay Rasulo, chairman of Walt Disney Parks and Resorts and chairman of the Travel Industry Association; and Tom Ridge, the first head of Homeland Security, met with reporters in Washington on Wednesday to provide an update on the plan. Since the blueprint was unveiled during TIA's annual State of the Industry luncheon last February, Freeman said the Partnership has been able to move several of their initiatives forward on Capitol Hill with at least six bills introduced and now pending in both the House and Senate. (*Travel Weekly.com*, 7/26)

Congressmen Urge Bush to Convene Tourism Conference

The co-chairs of the House Travel and Tourism Caucus have sent a letter to President Bush urging him to convene a tourism conference next spring to discuss strategies for bolstering inbound tourism to the U.S. In the Friday letter, caucus co-chairs Reps. Sam Farr, D-Calif., and Jon Porter, R-Nev., wrote that the U.S. tourism industry is still feeling the effects from the 9/11 terrorism attacks. The lawmakers said representatives from all facets of the travel industry should be brought together as part of a White House conference on travel and tourism, where strategies for drawing more visitors to the U.S. would be discussed. A similar conference was held 11 years ago during the Clinton administration. (*Travel Weekly.com*, 7/20; *Modern Agent.com*)

Survey Shows \$5 Billion "Girlfriend Getaway" Market May Be Slowing

A new study by AAA shows that the once-growing "girlfriend getaway" trend could be losing steam. Fifty-six percent of women surveyed online for the AAA report on girlfriend getaways said they hadn't made plans to get away with friend, even though they would like to, while 15 percent said they had no interest. Only 29 percent said they planned to take girlfriend getaways in the future, down from 33 percent in 2004, when a similar poll was conducted. Overall, 36 percent of the women surveyed said they had taken a girlfriend getaway during the past three years, down from 48 percent in 2004. The report found girlfriend getaways account each year for 4 percent of

all leisure travel spending, which AAA translates to \$5.6 billion a year, including \$200 million spent on hotels alone. (*Travel Weekly.com*, 7/24; *Special to TA*)

State Department Official Takes Blame for Passport Predicament

The current passport mess is rare among government foul-ups: A top federal official has publicly taken the blame and expressed regret. "Over the past several months, many travelers who applied for a passport did not receive their documents in time for their planned travel. I deeply regret that," said Assistant Secretary of State Maura Harty, who is in charge of U.S. passports. I accept complete responsibility for this." The government started requiring more Americans to have passports on Jan. 23 in an effort to thwart terrorism. By summer, more than 2 million people were waiting for passports; half a million had waited more than three months for a document that typically was ready in six weeks. (*AP*; *Page 3A, Fort Lauderdale Sun-Sentinel*)

Emerging New Internet Market: Canada

The time is right to enter the sometime-underestimated Canadian online travel market, according to a new report by online travel research firm PhoCusWright. Canada's online travel market is booming and is expected to nearly quadruple between 2004 and 2009, according to PhoCusWright's first-ever study of Canada's internet market. One example: almost one third of all travel in Canada this year will be booked online for leisure and unmanaged business. "But with a highly consolidated air market and fragmented hotel and car rental markets, Canada's online travelers shop and buy travel very differently than their US counterparts," says the study. "Major global online travel players entering the market have had to adapt their models to suit Canadian tastes, while several Canadian travel suppliers, retailers and home-grown online travel entities have leveraged their knowledge of the market to capitalize on the growing shift to book travel online," according to the report.

The report found:

- Canadian leisure and unmanaged business travel has more than doubled in two years to reach C\$6.5 billion in 2006;
- The market is projected to nearly double again by 2009;
- The Internet is playing an increasingly significant role in both influencing consumer shopping and as a source of transactions.

The dominant positions of Air Canada and WestJet airlines in a market where four airports account for almost 70 percent of all passenger traffic create a vastly different environment for scheduled air travel, compared to the relatively open skies of both the US and Europe. (*Report by David Wilkening, TravelMole e-Newsletter*)